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ABSTRACT

This report summarizes the findings from two years of study on issues involving the governance of the California public community college system. Section 1 reviews the history of California's community colleges and describes challenges they currently face, such as inconsistent compensation and operational costs, changing enrollment demand, and conflicted faculty. Section 2 presents basic information on the characteristics and evolution of the colleges, as well as a summary of major external pressures confronting them. The third section summarizes selected findings from previous studies on community college governance issues. Section 4 lists key characteristics of higher education governing boards, and section 5 offers seven recommendations for achieving a more unified governance. At the end of this study, the Commission concluded that there is no need for a radical restructuring of the college system, that it would be sufficient to redistribute authority and administrative responsibility between the State Board of Governors and local community college boards of trustees. (Contains 28 references.) (EMH)

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TOWARD A UNIFIED STATE SYSTEM

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CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

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DECEMBER 1998 COMMISSION REPORT 98-9

Summary

In April of 1995, the California Postsecondary Education Commission completed a year-long planning process focused on the needs of the state for postsecondary education in the 21st century. In that report, *The Challenge of The Century*, the Commission noted the importance of the community colleges in meeting the educational needs beyond high school of Californians. The Commission also noted that allegations of inconsistency in operations and reciprocity of course acceptance between colleges in the 71 local community college districts was inconsistent with the intent of the Master Plan for Higher Education. Accordingly, the Commission directed its staff to undertake a study to examine the California Community Colleges in an effort to identify ways in which the collection of 106 colleges might operate more as a unified state system. Particular attention was to be given to the governance structure of the colleges.

This report summarizes the major findings from two years of study, including interviews with current community college personnel, review of various governance structures in other states, and review of previous studies of the California Community Colleges that directed some attention to issues of governance. The report also provides a summary of the unintended impact of legislative mandates, regulatory requirements, and voter initiatives on the respective authority and roles of local boards of trustees and the state Board of Governors. Staff analysis of the environment in which the community colleges operate did not support a radical restructuring of the community colleges as some have suggested. Rather, the Commission concludes that the goals of fostering a more unified state system while preserving significant local control can both be achieved by redistributing governance authority and administrative responsibility between the state Board of Governors and local boards of trustees. Five specific recommendations are offered for modifying and clarifying the authority and responsibility of the Board of Governors and its Chancellor's Office. Two additional recommendations are offered for modifying the authority and responsibility of local boards.

The Commission accepted this report at its meeting of December 7, 1998. Questions about the substance of this report may be directed to Charles A. Ratliff at 916-322-8017 (cratliff@cpec.ca.gov) or David Leveille at 310-796-0723 (dleveille@cpec.ca.gov). Copies of the report may be obtained by writing the Commission at 1303 J Street, Suite 500, Sacramento, CA. 95814-2938; or by telephone at 916-445-7933.

TOWARD A UNIFIED STATE SYSTEM

A Report and Recommendations on the Governance of the California Community College

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION
1303 J Street • Suite 500 • Sacramento, California 95814-2938

COMMISSION REPORT 98-9
PUBLISHED DECEMBER 1998

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1 The California Community Colleges: A History of Challenge and Accomplishment

IN APRIL 1995, the California Postsecondary Education Commission culminated more than a year of planning with a report focused on the needs of the state for postsecondary education in the 21st century. In that report, *The Challenge of The Century*, the Commission included in its vision for postsecondary education the idea that California should maintain a system of "first-rate schools, colleges and universities" that provide Californians with "educational opportunities that nurture the very best in them" as a means to mitigate inequitable differences in family background and prepare all Californians to participate fully in the state's political democracy, contribute to its continually changing economy, and recognize the unique benefits of California's diversity for the creation of ideas and culture. Further, the report identified the changes and preparation that need to be initiated immediately to assure that California does not find itself retreating from its widely respected public commitment to broad access to high quality, low-cost educational opportunities beyond high school.

More than 70 percent of public postsecondary education enrollment in the state, and well over half of all accredited and approved postsecondary education enrollment, is in one of the 106 campuses of the California Community Colleges. In this context, it is apparent that the California Community Colleges system is vital to the vision advanced by the Commission and the ability of these colleges to effectively meet their responsibility is essential to the realization of this vision. This view prompted the Commission to include in its *The Challenge of The Century* planning recommendations:

> *Because of the uniqueness and diversity of the California Community Colleges, the Commission, in cooperation with the Board of Governors, district boards of trustees, the Department of Finance, and the Legislative Analyst's Office, should review the governance of the community college system to identify how it can become better integrated. The Commission should report to the Legislature and Governor its recommendations, including any desirable statutory, fiscal, regulatory, or administrative changes to that end.* (Recommendation 4.3, Commission Report 95-3)

This agenda item has been prepared as a first installment of a report that will ultimately include recommendations for reforming the current operation of the California Community Colleges system, which operates more like a federation of semi-autonomous districts rather than a unified state postsecondary education system. The Commission's vision for the next century includes a California in which there

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is an array of public, independent, and private colleges and universities that operate in a near "seamless" manner to provide students with broad opportunities to pursue education beyond high school. Such a seamless system should provide students with an easily understood set of curricular standards, content, and descriptions that facilitate planning and transfer among and between campuses and systems. The community colleges are an essential and extremely complex component of this "seamless" system.

It is clear from observations of those within and outside of the California Community Colleges that there is more than one avenue towards educational distinction. The California Community Colleges offer an excellent example of distinctiveness in opportunities, programs, and services and merit greater recognition and support, given the challenges that they must address over the next few years. Both the promise and the complexity of the system has been reinforced by the Commission's review of statutes, previous studies of community colleges, and the opinions of researchers and community college personnel provided to Commission staff. Accordingly, the Commission believes it to be appropriate to develop a common understanding of California's community colleges, their evolution over time, and the environment in which they currently exist.

Overview

The Commission began its review of the community college system by recalling the words of the framers of the State's Master Plan for Higher Education:

> *The task of the Survey Team has been to obtain a formula that will seek two objectives. First, it must guard the state and state funds against unwarranted expansion and unhealthy competition among the segments of public higher education. Second, it must provide abundant collegiate opportunities for qualified young people and give the segments and institutions enough freedom to furnish the diverse higher educational services needed by the state.* (*A Master Plan for Higher Education in California, 1960 - 1975*, California State Department of Education, 1960)

The Commission believes that the statement has relevance today and animates its efforts with a particular focus on the governance of the California Community Colleges. The living tradition of the California Community Colleges began in the 20th century primarily as an extension of secondary education -- with grades 13 and 14 extended on the high school site to distinguish junior college instruction from high school and adult education -- and ending the century by adding economic development and contract education to the challenges of providing transfer and general education, occupational and vocational education, remedial education, and community service.

Dale Parnell, writing in the October, 1980 Community and Junior College Journal, provided a concise statement of the role of community colleges:

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> *The word for the ...community college is "opportunity." The community college gives just about everyone a fair chance to succeed not just at college — but at the kind of college that places vocational-technical training on a status with other learning. The academically talented as well as the technically talented flow through the open door. Community colleges proudly open doors for all kinds of people; rich, poor, thin, fat, tall, short, fast, slow, handicapped, old, young, brilliant, average, ethnic minorities, men and women.* (Dale Parnell, "Major Restraints or Grand Opportunities," *Community and Junior College Journal*, October, 1980, p.45)

The criticality of community colleges in the California higher education continuum needs to be re-emphasized and more clearly understood and supported by the public, policy makers, and elected officials. As long as the community colleges continue to be the major point of access to postsecondary education for California residents, particularly for those students from groups historically absent in large numbers from higher education, access alone is an insufficient accomplishment. Attention to the retention and success of students enrolled in community colleges and transfer to baccalaureate level institutions must also be high priorities for policymakers concerned with equalizing educational opportunities. Equally important is the need to ensure the successful completion of occupational, technical, and vocational training for those seeking entry into the world of work or new skills to facilitate retention of employment and/or promotional opportunities. However, caution should be exercised in expanding the missions of community colleges to the extent that they, individually and collectively, are unable to remain focused on facilitating student success in preparation for baccalaureate degree attainment and successful completion of other programs.

Challenges

The California Community Colleges will be challenged as never before to shape the quality of life in the 21st century for millions of Californians. The Commission envisions a California community college system that is highly adaptable to the demands of the future and that produces well-rounded learners able to work together efficiently and effectively to identify and solve complex problems in industry, academe, government, and society.

Among the array of challenges California Community Colleges face are the following:

- Compensation and operational costs that differ by district, with little uniformity throughout the state, and with inadequate controls to assure that expenditures remain consistent with available state and local funding;
- Changing enrollment demand, characterized by large increases in numbers, demographic characteristics, and levels of academic achievement;
- Conflicted faculty, simultaneously energized by their desire to meet the many needs of their students but bothered by the growing reliance on technology and calls for accountability;

- Internal divisiveness between faculty and administrators, locally and statewide, stemming from an unclear vision or absence of a shared vision of if, and in what ways, community colleges -- both individually and collectively -- should change to meet future demands; and

- A "business as usual" approach that mitigates against change, threatens full appreciation of the richness and resourcefulness of many community colleges, and fails to energize additional fiscal support for the community college system.

Designing strategies to meet these challenges is a complicated and often painful process; "complicated" because of the myriad of influences at work and "painful" because of the critical assessment required. Too often, however, the community college system and its components attribute blame for many of its ills to the actions of others.

- Budget shortcomings are either blamed on Proposition 98 and the ability of the public schools to get "more than its fair share" of the funds or the Legislature's inability to provide the community colleges with its fair share of support per student as compared with the California State University and the University of California.

- Over-regulation and managerial inflexibility are often cited by district chief executives as being caused by the regulatory environment and prescriptiveness of the Education Code or Title 5;

- Shortfalls in Capital Outlay funding and an inability to obtain an increased share of statewide bond measures are blamed on the success of the California State University and the University of California in convincing legislators of the priority of their capital needs; and

- Problems associated with transfer and articulation relationships, are attributed to unilateral actions by the California State University and the University of California.

While there may be a little truth in some of these perceptions, many of the system's critics and supporters are quick to point out examples and particular colleges to which the descriptions do not apply. The Commission's focus, however, has been on statewide issues and it believes that the absence of strong leadership for the California Community Colleges at the statewide level is a major reason the system has not achieved equality with its public university counterparts in the budget and policy environment of the state. A number of internal practices and external factors, rather than an absence of desire by the Chancellor's Office of the California Community Colleges, contribute to the current state of affairs.

This report is organized into the following sections:

- The next section provides basic information on the characteristics and evolution of the California Community Colleges. Additionally, this section contains a summary of some of the major external pressures that confront community colleges.

- Section Three summarizes selected findings from previous studies on comm college governance issues.
- Section Four provides a listing of key characteristics of higher education gov boards and is intended to serve as a foundation for conclusion recommendations that are contained in Section five of this report.
- Section Five offers a series of recommendations to alter the distributi responsibilities and authority allocated to the statewide Board of Governo local boards of trustees.

2 Structure and Evolution of the Community Colleges

THE CALIFORNIA COMMUNITY COLLEGES, as a system and individually, have a structure that embodies one of the principles that undergird California's Master Plan: every high school graduate and adult resident who has the will and ability to benefit from instruction should be able to enroll in a college located within a 30-minute commute from their home. This history and the strengths that have developed within the various community colleges serves well as a foundation from which to build an even more productive postsecondary education system for addressing the educational, cultural, technological, civic and economic needs of California for the remainder of this century and well into the next one. Key characteristics of the community college system include:

- A total of 106 community colleges are located throughout the state, organized in 71 districts with 435 locally elected trustees. They enrolled approximately 1.4 million students in the 1997-98 fiscal year. These institutions range in size from Palo Verde College, with 797 credit students in fall 1997, to City College of San Francisco, with 28,395 students enrolled for credit in fall 1997. Programs vary in scope and breadth. In addition, the colleges to meet the needs of learners and employers within their geographic regions have established dozens of off-campus centers. Collectively, the community colleges offer a wide selection of courses in technology, science, humanities, social sciences, arts and crafts, administration, sport, and a myriad of other offerings.
- The basic admission qualification is possession of a high school diploma or attainment of the age of 18. As such, these colleges provide broad levels of access to Californians.
- The mission of the community colleges contains three primary objectives: (a) general education that prepares students for transfer to a baccalaureate degree-granting institution; (b) vocational education; and (c) remedial education.
- Over one-third (35.4 percent in fall 1996) of all high school graduates enter community colleges annually, though this percentage has fluctuated in years of reduced financial support or radical shifts in the economy. Of the high school graduates from racial/ethnic groups with low historical rates of college attendance, nearly three quarters of those who continue their education beyond high school within California begin their postsecondary education at a community college.
- The transfer function of community colleges holds out the promise to all who have the ability and the will to persist that there are multiple paths toward

ultimately enrolling in baccalaureate level institutions and earning a bachelor's or more advanced degree.

- The vocational programs of the community colleges seek to ensure that college graduates possess the technical skills and qualifications needed for employment in a constantly changing informational, technological, and professional society. These programs have been greatly expanded in recent decades to, among other things, retrain or upgrade the skills of existing workers, provide contract education on-site to the employees of specific companies, and train welfare recipients for transition to work, among other objectives.

- Community colleges receive fiscal support to offer instruction only through the second year of college, although non-credit, self-supporting courses may be offered without consideration of academic level. Community colleges may grant vocational and technical certificates, and the Associate in arts and science degrees. Through community service and adult education programs, they offer non-credit classes in literacy, health, civic, technical, and general education. For working students, evening courses are offered that lead to the same degrees and certificates available to students attending during the day . Many colleges offer apprenticeship programs that provide training in a variety of fields. All community colleges offer programs fulfilling the requirements for the first two years of academic work at a baccalaureate-level college or university.

- The community colleges course offerings also seek to provide lifelong education to middle-aged and older people to encourage continuing activity and an improved quality of life. This characteristic contributes to the local responsiveness of community colleges.

- The cost of enrollment in community colleges was free, except for certain user fees for some courses, until 1984 when mandatory enrollment fees were instituted for the first time throughout the state. Currently, mandatory enrollment fees in community colleges are $13 per unit -- the lowest of any postsecondary education system in the country. Fees are scheduled to be reduced to $12 per unit in the 1998-1999 fiscal year. A Board of Governors (BOG) waiver is available to any student with demonstrated financial need to assure that cost alone will not deter attendance.

- The California Community Colleges are funded jointly by the General Fund -- approximately 53 percent of the total base budget under Proposition 98 guarantees -- and local property tax revenue. In addition, approximately $91.8 million is received annually from lottery proceeds which, by law, cannot be used for recurring expenses.

Emergence of a system

Starting in 1908, California's community colleges evolved from extensions of high schools into semi-autonomous junior colleges emphasizing transfer and vocational courses and, more recently, into comprehensive community centers offering broad

educational opportunities to meet local, regional, and state educational needs. In fall 1997, they collectively enrolled over 1.4 million students in credit courses.

The community colleges are the least centralized of the public sectors of higher education. Seventy-one districts operate California's community colleges. Of these, Los Angeles -- by far the largest -- operates nine colleges. Locally elected boards of trustees govern the districts.

Prior to the development of the Master Plan (1960), the then junior colleges were assuming many of the practices and characteristics of higher education institutions, but they were still legally part of the public school system. Large areas of the state were not in junior college districts, and were not likely to be incorporated without some encouragement from state government. The colleges were administered by the State Board of Education, which also had responsibility for the public school system and the state colleges. Because of this enormous spread of responsibility, it provided primarily ministerial functions for the community colleges, and the Legislature tended to legislate directly for the local districts.

In 1967, the Legislature and the Governor created a Board of Governors to provide greater attention to and policy direction for the colleges. The 13-member board (now 16 with the addition of one student and two faculty members) selects the State Chancellor. The board is also charged by state law to provide leadership and direction and maintain, to the maximum degree possible, local autonomy and control in the administration of the community colleges. The Governor appoints the members for six-year terms; a student member serves for one year. In addition, the Governor appoints two faculty members and two local trustees from lists supplied by their respective representative bodies.

Governance

Because the first "junior colleges" emerged from high schools, the early statutory foundation of governance tied the colleges to the local high school districts and the school law that governed them. In 1907, the Legislature authorized high schools to offer postgraduate courses of study. By 1921, it authorized the creation of separate junior colleges in addition to the programs offered by high schools. Junior colleges as separate and distinct entities did not develop fully until after World War II, when the entire state began to experience a population boom and federal programs encouraged college attendance by returning veterans through the GI Bill.. By 1959, 28 of the 56 junior college operations were separate entities, although the largest college districts -- Los Angeles, San Francisco, San Diego, and Long Beach, among them -- were among the last to formally separate from public schools. However, their initial high school connections lingered on in many legislative and administrative code sections governing the community colleges.

Although the 1960 Master Plan declared community colleges to be a firm part of its system of public colleges and universities, it left the junior colleges under the jurisdiction of the State Department of Education and local school districts. In 1967, enacted legislation created a state Board of Governors to guide the development of coherent statewide policy direction for the community colleges. However, this

creation of a state-level Board of Governors implied a reduction in the authority of the local boards. It was also an acknowledgment of the fact that state, as well as local needs, were to be met through the community colleges in aggregate. The impact of this change was slight at the local level through the middle 1970's, since these years were a period of strong funding and heavy growth. Nonetheless, it is important to note that, although the Legislature gave broad responsibilities to the Board of Governors, it left intact all existing legislation assigning powers to local boards and failed to include the word "governance" in any education code reference to the charge given to the Board of Governors.

The Master Plan

Under the Master Plan, adopted by the Legislature in 1960 (parts of which were codified in the Donahoe Act in 1961), California affirmed the status of junior colleges as a vital component of a tripartite system of public colleges and universities -- each with a unique mission and structure. The University of California was given exclusive responsibility among public institutions for graduate-level instruction beyond the masters degree and for professional study as well as research and awarding of the doctoral degree. Responsibility for governance of the University was placed in a Board of Regents, which was also given broad authority and autonomy within the State Constitution. The University of California was directed to select its freshman classes from the top 12.5 percent of public high school graduates statewide.

The California State Colleges and Universities (later renamed the California State University), were designated as primarily teaching institutions but were authorized to engage in specified areas of research consistent with their teaching mission. The Master Plan recommended, and the Legislature accepted, the creation of a state-level Board of Trustees to govern the California State University under the administrative leadership of a Chancellor. It rejected the Master Plan recommendation that the State College system be given constitutional autonomy similar to that assigned to the University of California. The new organizational and governance structure resulted in the loss of single campus governance that had previously been in effect. The California State University was directed to select its freshman classes from the top one-third of public high school graduates statewide.

The community colleges completed the tripartite structure of public higher education specified in the Master Plan. The Master Plan retained their two-year format and provided them an extraordinarily large market of potential students by affirming the open admissions practices of community colleges and encouraging redirection of large numbers of high school graduates from enrollment in the two public universities to the community colleges.

The Master Plan for Higher Education recommended the separation of community colleges from K-12 districts but did not change their relationship to the State Department of Education. As delineated by the Master Plan, the colleges still were local in scope and control: they were designated local taxing entities, just as the school boards had been, and their expenditure decisions and course offerings reflected an attention to local community needs.

The Master Plan was the first formal acknowledgment that the community colleges were considered to be an integral part of higher education. Nonetheless, the community colleges also remained legally a part of the public school system, in part to remain eligible to receive federal money for vocational education — federal law requires that a single agency be designated to receive federal funding for vocational and adult education — and in order to receive its guaranteed state funding. The community colleges were left as locally-based and governed entities but they were drawn more into the state system because of their statutory inclusion as a member of the state Coordinating Commission for Higher Education (CCHE) and because of the very specific inclusion of transfer in the mission of the community colleges. The transfer function required the colleges to focus on maintaining cooperation within the higher education enterprise to assure that students admitted to one sector could move to another upon satisfaction of certain criteria.

Major external pressures

The period of time between 1976 and 1986 was marked by unprecedented legislative activity with direct relevance to community colleges. From 1978 to 1986, for example, over 1,750 provisions affecting community colleges were added, amended, or repealed in the Education Code. Similar numbers of provisions have been changed since 1986.

Voters, too, were unusually active in expressing their displeasure with the decisions of elected officials. Among the more pressing concerns of state residents was the concern for relieving a tax liability believed to be too burdensome to sustain an acceptable life style, particularly for the elderly and other marginal-income home owners. Escalating home value, driven by population growth and real estate speculators, was accompanied by rapidly rising tax obligations for homeowners. Driven by a perception that legislators were doing little to protect home ownership, taxpayers revolted by passing Proposition 13 in 1978. Though few voters heeded warnings at the time, Proposition 13 and follow-up legislation locked in (a) slow or no growth in property taxes; (b) a loss of growth in this revenue source that dramatically reduced local funds available to support schools and community colleges; and (c) a shift in the balance of power between state and local government.

Because of their continuing impact on the community colleges, the specific current effects on community colleges of two voter initiatives -- Propositions 13 (1978) and Proposition 98 (1988) -- are summarized below.

The impact of Proposition 13 on the community colleges

Prior to the November 1978 passage of Proposition 13 -- the voter initiative that rolled back local property taxes to one percent of the 1977 assessed property value -- the major source of funding for the community colleges was derived from local tax revenues. Districts who elected to tax themselves at a higher rate were able to keep their funds to improve or expand college programs and services. State funds were layered on top of the district funds and were allocated in inverse relation to district funds so as to equalize funding among districts.

Taxing Authority

With the passage of Proposition 13, one of the essential functions of the local boards disappeared: Proposition 13 effectively removed the right to tax. Proposition 13 treated community college districts no differently then it treated cities and counties, and other local "quasi-municipalities" (like local taxing entities such as school, water, and flood control districts). All of these groups lost their opportunity to set tax rates based on their perceptions of local needs. As a consequence, they experienced dramatic reductions in local funding and began a sustained period of financial instability. Local property taxes were consolidated as state revenues and each entity was provided with an amount derived by formula. If the funds were insufficient to fix a building or modernize instructional equipment -- as indeed they usually were -- the only relief was to pass a local bond measure with a two-thirds majority vote. For the first few years, many of the community college districts were able to mitigate this impact by dipping into large cash reserves accumulated prior to passage of the initiative to meet capital expenditure needs for facilities expansion. Ultimately, however, implementation of Proposition 13 undercut one of the major reasons for the existence of local boards: they could neither determine the amount of funds available or the principal uses of those funds.

Another outcome of Proposition 13 in the community college context was student "freeflow." Freeflow -- the ability of students to enroll at any community college without respect to district boundaries -- was in large part an acknowledgment of Proposition 13's implications. Since the majority of funds supporting community colleges were garnered statewide, the Education Code was altered to reflect that fact. Students no longer needed permission to attend a college outside the district in which they resided. Multiple agreements were executed between urban and suburban districts to secure funding for cross-district enrollees. Enrollment pressures in major urban districts, as well as distance and reduced freeway travel time, served as additional incentives for students to seek enrollment in less crowded colleges.

In addition to enabling students to attend any college, there was another less conspicuous result of student freeflow. As a result of freeflow, the decisions made by local boards no longer affected *only* the voters of the district in which they served. Now, they determined policies for students who neither voted nor paid taxes in the local district. In fact, some community college districts report serving student bodies in which 40 percent of the students reside beyond district boundaries. Taken together, Proposition 13 and freeflow severely undercut the role of the local boards of trustees by effectively removing their authority to levy local taxes for the benefit of local students.

Changing Locus of Authority

After the passage of Proposition 13, the State assumed greater responsibility for the financing of community colleges and fueled perceptions among local trustees and executive officers that a shift in the locus of authority had occurred. During the early 1980s, critics opined that the Legislature functioned as a "super board for the

colleges" and was subjected to frequent criticism for intrusion into local affairs, for dictating policy by statute, and for lack of understanding of the nature of the colleges. For example, student fees, a locally determined issue before the passage of Proposition 13, were determined largely via statue after its passage. For its part, the Legislature looked to the Chancellor's Office as the central location for controlling the flow of information on community colleges and their budget needs. In doing so, the Legislature placed that office into a role for which it was ill prepared and for which it lacked legal authority and necessary staffing. Without those two features, the Chancellor's Office could not meet the Legislature's expectations. In addition, the Chancellor's Office also became a target for severe criticism from the colleges that alleged intrusion on local affairs and failure to effectively manage the system.

At the same time that they were objecting to intrusiveness from Sacramento, many local districts employed lobbyists to advance local interests. Individual districts had no qualms about seeking special dispensation or even attacking state-level positions that did not, in their estimation, do enough for their particular local situation. This practice contributed to many of the more than 1,000 changes to the community college section of the education code cited above. Moreover, legislators complained about community college presidents descending upon them with different requests and goals and about lobbyists with competing stories -- occasionally even between groups representing the same interests. Today, for example, there are more than 110 lobbyists for California's community colleges registered in Sacramento.

Unlike their public university counterparts, the California Community Colleges must contend with a large number of formal special interest groups representing the needs of community colleges. The largest of these is the Community College League of California (CCLC) but also includes formal organizations representing trustees, administrators, certificated personnel, students, budget officers, student service officers, information officers and faculty. There are three groups representing faculty interests alone.

Proposition 98: an unintended "cap" on community college funding

On November 8, 1988, California voters approved Proposition 98, the "Classroom Instructional Improvement and Accountability Act." This combined initiative constitutional amendment and statute designed to guarantee public primary, elementary, secondary and community college education (referred to as K-14) a minimum share of the State's General Fund revenues each year. Other State agencies (the departments of Developmental Service and Mental Health, the State Special Schools, and the California Youth Authority) also receive funding under Proposition 98; however, their combined share is less than one-third of one percent of annual Proposition 98 funding. The initiative was later modified by provisions contained in Proposition 111 that was approved by the voters in June of 1990.

Under Proposition 98 -- as modified by Proposition 111 -- public schools and community colleges are to get the *greater* of: (a) in general, a set percentage of General Fund revenues — commonly referred to as "Test 1"; (b) the amount of

General Funds appropriated to K-14 in the prior fiscal year, adjusted for changes in the cost-of-living (as measured by changes in State per-capita personal income) and enrollment -- "Test 2"; or, (c) a replacement for "Test 2" in any year in which the percentage growth in per-capita General Fund revenues from the prior year plus 0.50 percent is less than the percentage growth in State per-capita personal income -- "Test 3". Under "Test 3", K-14 receives the same amount appropriated to it in the prior year, adjusted for changes in enrollment and per-capita General Fund revenues, plus another small adjustment factor. In any year that "Test 3" is used, K-14 receives a "credit" for future revenue years in which the General Fund is larger than the difference between the "Test 3" amount and the amount that would have been appropriated under "Test 2."

When Proposition 98 was passed, the community colleges were assured a portion of the General Fund guarantee and the common perception was that this change would provide a reliable funding base for the purposes of planning operations and course offerings. However, Proposition 98 proved to be less than a reliable source of funding for community colleges. In the competition with public schools for its portion of the guaranteed funds, the community colleges consistently lost. When State General Fund revenues stagnated or declined, the portion of the guaranteed funding dedicated to community colleges was reduced to accommodate the operational and growth needs of the public schools. When the economy improved and funds were restored according to formula, they flowed into the public school system first and the balance was apportioned to community colleges. Thus, in spite of the promise of consistent funding, Proposition 98 has resulted in lower and unpredictable funding levels for the community colleges

Legislation

Adaptation to declining revenues and recessionary pressures during the early 1980's prompted the community colleges to lay off faculty, administrators, and staff amid exhortations to "trim the fat." Summer sessions were deleted or severely "downsized," support budgets sharply reduced, and offerings in the regular terms experienced sharp cutbacks. By the mid-1980?s, many community college leaders argued that no fat remained and that bone and muscle were now being sacrificed. It was in this context that the Chief Executive Officers of California Community Colleges (CEOCCC) sought relief. In January 1984, the CEOs presented the Chancellor's Office and the Legislature with a request for clarification of the mission for California's community colleges. They advanced the argument that if the funds to fulfill the community colleges multiple missions were unavailable, there was a need to identify priorities and specify their order.

The call for priorities and the obvious crises drew a rapid response. Three groups emerged to clarify the situation of the colleges on such topics as finance, mission, structure, and governance. Two groups were created by the State Legislature and a third by community college constituent groups. Faced with the request from the chief executive officers and fueled with rising frustration of its own, the Legislature acted in 1985 by creating the Commission for the Review of the Master Plan for Higher Education and the Joint Committee for Review of the Master Plan for

Higher Education. Each group attempted to assess the situation with respect to higher education and the Master Plan in general, but both concentrated on community colleges, in particular, at the outset.

Prior to these legislative initiatives, the colleges organized an *ad hoc* work group to analyze the community college situation and recommend changes in 1984. This group, called the Californians for Community Colleges, assembled organizational representatives of faculty, staff, students, administration, and trustees along with liaison staff from the Chancellor's Office and the Legislature. This group was an active participant in the Master Plan review activities of the Legislature.

Assembly Bill 1725

Assembly Bill 1725 authored by Assemblyman John Vasconcellos, chair of the Joint Committee, was used as the legislative vehicle for enacting major community college reforms agreed to by the various parties involved in the Master Plan review. Virtually every aspect of community college affairs received some attention in the legislation, including the broad areas of governance, finance, and personnel policy.

AB 1725 is one of the most comprehensive pieces of legislation ever to be enacted pertaining to the community colleges. Among its major provisions are the following:

- A pattern of "shared governance" was codified in which most campus decisions -- academic, fiscal, and administrative -- are made with extensive participation of faculty and other constituent groups.
- The comprehensive mission of community colleges was validated, but a clear hierarchy of service was created: career education, transfer education, and remedial education led the way, with all other functions secondary to these three. Each of these "big three" received specific attention in the legislation.
- A transfer core curriculum was recommended; vocational education articulation was to receive greater emphasis within both the secondary and senior postsecondary sectors, and remedial work was to be limited (the Board of Governors ultimately adopted policy limiting remedial education to thirty units per student).
- A new accountability measures program was recommended in which consistent comparable data would be gathered and evaluated annually regarding staff and student characteristics as well as institutional performance.
- The then-current financing mechanism was to be eliminated over time and replaced by a "differential funding" strategy. This approach, known as "program based funding", was to appropriate resources to colleges on a formula derived from credit student FTE (full time equivalency) rather than units of ADA (average daily attendance -- a public school derivative). Additionally, credit student headcount, square footage of owned or leased facilities, and a fixed percentage of the resulting total for "institutional support" (administrative overhead) were included in the formula.

- The formula also contained factors related to economies of scale that guaranteed upward adjustment at least equal to the rate of change in the general adult population. It clearly indicated that the model was for revenue generation -- not a model for local distribution of funds between vying programs.

- Seventy-five percent of all instructional time was to be delivered by full-time faculty. Funds for program and staff improvement were also provided, with the condition that at least 40 percent of the funds be expended on the creation of full-time faculty positions, if the college was not progressing appropriately toward the optimum level specified in the legislation of 75 percent. Statutory provisions, however, permitted the Board of Governors to waive this requirement in any year in which it determines that statewide funding for the colleges is inadequate.

- The bill made significant changes in governance. The community colleges were established as a mixed system: a state board, but with local boards as well. The system's independence from the Legislature was also clearly expressed, with the statewide policy and regulatory authority vested in the Board of Governors. The relationship between the local and statewide board was ostensibly clarified. Broad powers of oversight and general supervision were assigned to the statewide Board of Governors, but with the proviso that as much local authority and control as possible be maintained. It recommended the use of the consultation mechanism for developing policy and regulations.

- The board of trustees were assigned local regulatory and policy authority not expressly assigned to the Board of Governors and have further authority through the exercise of powers which may be delegated by the Board of Governors directly or indirectly by the Chancellor. Careful examination of these provisions shows that some new responsibilities were shifted from the Legislature to the Board of Governors, but the broad role and authority of local boards remained relatively intact from that time prior to the consolidation of the colleges into a statewide system. In particular, local boards of trustees continued to be responsible for hiring personnel and setting salaries.

- The role of the faculty was significantly strengthened in an attempt to emulate the role of faculty in the State University and the University systems. Faculty determine the qualifications for the hiring of their colleagues; they establish the transfer core curriculum in conjunction with faculty representatives of the other sectors of higher education; and, they have an opportunity to participate in local and statewide governance through the academic senate.

<u>Discussion of Governance in Assembly Bill 1725</u>

In the area of governance, Assembly Bill 1725 delineated functions with the assignment of specific responsibilities to local boards and the Board of Governors. This delineation, endorsed by the Board of Governors, was as follows:

- The governance of the California Community Colleges -- a postsecondary education system -- consists of local boards of trustees and the Board of Governors.

- The Board of Governors has the following responsibilities:
  - provision of leadership and direction for the system;
  - setting minimum standards in a variety of areas;
  - evaluation of fiscal and educational effectiveness of the colleges;
  - provision of research and data reporting functions for the system;
  - representation of the system and advocacy on behalf of the system;
  - preparation and adoption of a systemwide budget;
  - determination and allocation of the resources from the State General Fund to the colleges and districts (the latter, however, only to the extent authorized by law); and,
  - review of comprehensive plans for districts and educational program proposals as well as facilitation of articulation with other segments.
- The assignment of governance authority to the state-level Board of Governors is glaringly absent. Rather, the legislation envisions a new community college system with a strong central office structure and with policy, regulatory, and compliance roles.
- Locally elected boards of trustees have policy-making powers and governance authority with responsibility for program development to meet community needs. Additional authority is allocated to local districts to assure staff and program quality and fiscal responsibility.

In the Joint Legislative Committee report, the clearest expression of the reasons for AB 1725 was as follows:

> *. . . to strengthen the capacity of the community colleges to meet the emerging needs of our state, and in particular, to better ensure that all Californians are offered a chance, challenged and taught with imagination and inspiration, offered assistance and counseling, and held to honest standards.*

The bill spoke to intended outcomes for the most part, rather than to specific procedures and practices, and it was made clear that the Legislature expected the Chancellor to work with the colleges to create the implementing regulations for AB 1725.

Discussion of Financing Issues in Assembly Bill 1725

The financial provisions of Assembly Bill 1725 intended to replace ADA-driven apportionment with a program-based approach that reflected the funding needs of courses and programs of varying size and scope. This effort was unsuccessful, in part due to the impact of Proposition 98; funding apportionment to the colleges is currently on a FTE basis.

As mentioned previously, the California Community Colleges have consistently lost in competition with the public schools for its portion of Proposition 98 guaranteed funds, particularly during the severe recession of the early 1990s. The Board of Governors has periodically sought legislative relief from the inequitable distribution of Proposition 98 funding between community colleges and public schools with marginal success in the last few years. In 1996, a legal agreement was reached between the Department of Finance and the Education Coalition (CTA vs. Gould) that would gradually increase the community college share of Proposition 98 funds to 10.6 percent by 2001-02 and hold it constant thereafter.

Conclusions and observations

The capacity of the California Community Colleges individually and collectively to meet the challenges they face requires the ability to have a systemwide or statewide perspective that is balanced with local needs. Policies and decisions to that end must be developed and acted upon in an atmosphere of trust, respect, integrity, and timeliness. However defined, movement toward greater productivity and accountability requires engagement in an ongoing process of dialogue, statewide planning, and action.

With respect to governance issues as delineated in Assembly Bill 1725, the Commission offers the observation that several well-intentioned actions did more to generate frustration in the system than create greater unity. The concept of shared governance requires the Board of Governors and its Chancellor to generate consensus among a broadly representative consultation group prior to advancing policy recommendations on behalf of the system. While the Chancellor is precluded from advocating on behalf of the system without consultation and consensus, no such prohibition fetters the activities of local districts or any of the constituent groups involved in consultation. They can, and frequently do, advocate their individual interests directly to the Legislature even while consultation is continuing to formulate a systemwide position. Moreover, consensus is not possible if any one of the designated constituent groups fails to agree with a proposed policy direction. In effect, current practice has vested each constituent group with veto power and frustrates the efforts of the Board of Governors, and its administrative staff, from serving as effective advocates of the community colleges in State budget and policy discussions.

Largely in response to the urging of faculty, Assembly Bill 1725 also requires the community colleges to modify their faculty mix such that 75 percent of instruction is provided by full-time faculty. Although this provision recognizes the woeful plight of part-time instructors -- often referred to as "freeway flyers" -- it strikes at the heart of one of the more unique features of the community colleges: their flexibility to swiftly adapt to changing needs of local communities. One of the features of California's two public universities that contributes to their durability and their incremental approach to change is their high proportion of full-time faculty. The larger the proportion of full-time, permanent, or tenured faculty, the more curricular offerings reflect the desires and expertise of faculty versus the needs and desires of students. The unintended consequence of success in reaching the 75 per-

cent goal is the removal of flexibility of local college administrators to efficiently manage resources to meet changing local needs. Given the unpredictability of funding, the elements of program-based funding introduced by Assembly Bill 1725 were never used to determine distribution of funds to local districts. Moreover, the level of available funding has not kept pace with the changes in the adult population, which has resulted in a large unmet need. With the recessionary pressures that ushered in the decade of the 1990s, too little attention has been directed to the basic funding needs of the community colleges. The major issue to be resolved is: *How to respond to the expectations created by Assembly Bill 1725 within the restrictions of Proposition 98 funding which, in practice, has become a "ceiling" rather than a "floor" on the level of resources available to the California Community Colleges*?

The Commission believes very strongly that, for the rest of this decade, increased emphasis should be placed on utilizing the total resources of the California Community Colleges as a unified state system. To increase the efficient use of resources as a system, greater freedoms from prescriptive statutory mandates and flexibility to pursue policy priorities through varied means will be required by both the Board of Governors and local trustees in providing appropriate guidance, support, and accountability for California Community College operations. Combinations of instructional faculties, facilities, equipment, and public service commitment -- all brought together when and where needed -- can truly result in an entire system delivering greater services to Californians with improved cost effectiveness.

3 Summary of Findings From Previous Community College Studies

SINCE 1965, more than three dozen articles and study reports have been issued that address one or more aspects of governance in California postsecondary education; more than 75 percent of them directly or indirectly examining California Community Colleges. Many of these studies were prompted by a perception that the complexity and structure of the community colleges generate numerous problems related to governance, financing, and efficiency. Some observers attribute the problems to serious under-funding of the colleges while others point to major dissonance between the ideal and the actual practices of shared governance. Summarized below are selected findings and recommendations derived from the major studies conducted on community college governance and structure.

The Commission for the Review of the Master Plan for Higher Education

The Commission for the Review of the Master Plan commenced work in 1984. At the conclusion of its study, the Commission issued a 1987 report, *The Master Plan Renewed*, in which it recommended the creation of a community college system, administered as a unified state-local system, with the Board of Governors having broad management and policy-making powers in financial and academic affairs. It also declared that the Community Colleges "shall be acknowledged to be postsecondary institutions and not part of the public school system." There was agreement that the chief executives of the local districts be appointed by the local board but confirmed by the Board of Governors, who would have unprecedented powers to allocate funding to the local districts. Another sweeping recommendation would have given the Board of Governors the authority to determine the responsibilities of local boards in financial and academic matters. These proposals for a considerably more centralized system were not endorsed by the Legislature, which preferred keeping the extant structure and clarifying the respective mandates of state and local boards.

Of the 12 recommendations concerning governance of the community colleges contained in the 1986 report of the Commission for the Review of the Master Plan, the following are singled out as particularly pertinent to our current review of community college governance:

- The Legislature should increase the authority of the Board of Governors with respect to admission standards, program development, data collection, faculty and staff affirmative action, and budgeting and allocating State support.
- The Legislature should add to the Board of Governors, as ex-officio members, the Governor, Lieutenant Governor, Speaker of the Assembly, Superintendent of Public Instruction, and Chancellor.

- The Legislature should increase the staggered terms of appointed members from four years to eight years.
- The California Constitution should be amended to remove the Chancellor's Office staff from the State civil service system and a separate merit system for the staff should be established.
- The community colleges should be recognized as a true system, with legislative delegation of policy, planning, and research functions as well as fiscal, programmatic, and informational control vested in the Board of Governors;
- The Chancellor's Office should create consultation and advisory structures to enhance communication between the Chancellor's Office and practitioners;
- The highly prescriptive nature of regulatory legislation controlling the colleges should be reduced or eliminated;
- A direct role for the Legislature in community college governance should be eliminated;
- The Board of Governors should be granted authority to initiate bankruptcy proceedings against individual districts, with or without district concurrence, and should be authorized to dismiss local officers who knowingly violate the provisions of fiscal accountability; and,
- The local district board should be retained as a feature in community college governance. (This recommendation was included only after considerable lobbying by various interests.)

Organization for Economic Cooperation and Development (OECD)

As recently as 1990, the prestigious Organization for Economic Cooperation and Development (OECD), in its focus on California as part of its reviews of national policies for education, had the following to say about the California Community Colleges.

> *What is thought of as an American and especially California innovation is the community college. We saw and we discussed its difficulties and especially its recent history of funding frailty due to the loosening of local responsibility and control. Yet no delegate can have departed from the meeting without a clear image of the uniqueness of the community college as a comprehensive institution belonging to higher education, as offering an open door to transfer courses that link secondary to higher education, and at the same time as a revolving door into every kind of vocational, specialist, adult and continuing education. If a distinctive Californian educational export is on offer to OECD, it is the community college.* (*Higher Education In California*, Reviews of National Policies For Education, OECD, Paris, 1990, p. 121)

The OECD made the following specific recommendation with respect to the community colleges: "It is imperative that stable financing and more clearly articulated

governance be assured so that energies of the system can be directed to the educational issues linked to equity and excellence."

Commission on Innovation

More recently, the 1993 report of the Commission on Innovation, a body of 23 business leaders and other respected Californians informed by community college professionals and experts from throughout the country, recommended that the community colleges modernize their management and governance systems, introduce technology on a wide scale, and introduce other changes as recommended by the Commission on Innovation. The Commission on Innovation stated, that in order to meet the educational demands, the California Community Colleges "will need a unified governance system that gives local authorities the freedom to institute significant improvements in productivity, efficiency, and effectiveness."

The Commission on Innovation went on to indicate that

> *. . . such a system would give state-level administrators the authority to provide system-wide direction and support, and hold colleges accountable for results. At present, neither local nor state-level governing agencies have the authority to meet the tripartite demands of enrollment growth, quality improvement, and operational economy.*

Five of the eight recommendations offered by the Commission on Innovation as a means of crafting a "more sensible governance structure for the California Community Colleges" are listed below:

- The Board of Governors should govern the system directly, rather than as an arm of the Legislature;
- A California Constitutional amendment should be immediately initiated to remove the CCC Chancellor's Office from state agency status;
- The role of the Chancellor's Office should shift from regulatory watchdog to operational support;
- A major concern of the Board of Governors and local districts should be accountability focused on "value-added" student outcomes; and
- The CCC system budget should be administered by the Board of Governors, and local trustees remain in charge of their own budgets.

California Higher Education Policy Center

Patrick Callan, speaking in 1990 at a Berkeley symposium focused on the Master Plan, indicated that community college governance in California is problematic due to a variety of factors. His perspective, reflecting his experiences as a former Executive Director of the California Postsecondary Education Commission and, most recently, as the Director of the California Higher Education Policy Center, is:

> *. . . the reality of community college governance is a combination of the least attractive aspects of special interest-driven public school politics*

and the sometimes arrogant ambiguity of higher education governance. Major public policies, such as ... reform legislation, are developed by coalitions of interest groups representing faculty, administrators and local board members who support statewide organizations with Sacramento lobbyists. (Patrick Callan, "California's Master Plan for Higher Education: Some Second Thoughts for the Fourth Decade," in *The OECD, the Master Plan and the California Dream: A Berkeley Conversation*, Berkeley, Center for Studies in Higher Education, 1992)

Later, as Callan addressed issues relating to governance in California, he went on to state:

> *. . . the cumulative effect of legislative involvement in the details, even in the minutiae, of the operations of these systems of education mitigates against the development of strong and effective boards and institutions.*

In a research paper prepared for the State Structures for the Governance of Higher Education and the California Higher Education Policy Center (Spring, 1997), case studies were conducted in seven states in an effort to provide answers to several research questions relating specifically to governance structures and processes. One of the states included in the study was California. The study reinforced the notion that "states exhibit considerable variation in the approaches they take to governing and coordinating their postsecondary education systems," lending additional credence to the assertion that there is no single appropriate way to govern a system of postsecondary education.

In specifically addressing the governance of the California Community Colleges, the study's research team concluded that:

> *. . . Among community colleges, the role of the state coordinating board [Board of Governors] remains unclear and faculty dominate local governance through the trustees they help to elect, the collective bargaining agreements local boards subsequently negotiate, and through shared governance, which seems to cover any contingency not resolved through collective bargaining. Many policy makers view community colleges in their present structure as essentially ungovernable. . . .* (*State Structures for The Governance Of Higher Education: A Comparative Study*, A Report from The California Higher Education Policy Center, Spring, 1997, p 17)

California Citizen's Commission

The California Citizens Commission on Higher Education, a privately funded body of California civic, education, business and corporate leaders, invested more than a year analyzing problems and policy issues for California's higher education enterprise. Included in its analyses and recommendations was the governance of the California Community Colleges.

In its 1998 report, *A State of Learning: An Action Agenda for Higher Education*, the Citizens Commission observed that "the effectiveness of the California Community Colleges is vital to California's future." They went on to say that "because their role is so large and strategic, the Community Colleges must be efficient and highly focused on meeting the expanding demands for education. Yet, the Commission found that the segment is entangled in various restrictions, inefficiencies and cross purposes that greatly dissipate its energies." (A State of Learning, p. 37)

The Citizens Commission further observed that the organizational structure of the community colleges is often more a hindrance than a help and is the source of considerable tension between state and local entities. Accordingly, the Commission concluded that only a new structure and approach to governance [of the California Community Colleges], where the layers of decision-making and state regulation are reduced and the campuses are governed as truly collegiate institutions, is capable of resolving" the tensions they observed in the system (A State of Learning, p. 38)

Among the specific recommendations of the Citizens Commission pertaining to the governance and structure of the California Community Colleges are the following:

- The structure of the California Community Colleges should be changed from the current three-level "system" consisting of the statewide chancellor's office and Board of Governors, regional districts governed by elected trustees, and individual colleges, to a two-level system consisting of a statewide chancellor's office and Board of trustees, and individual campuses with Governance Councils comprised of individuals appointed by locally elected officials, statewide Board of Trustees, and campus constituencies.
- The statewide Board of Trustees should be responsible for establishing and maintaining California-wide standards for programs of statewide importance (e.g., academic transfer to four-year universities) and for approving the overall budget recommendations submitted by Governance Councils.
- All provisions of the Education Code concerning the California Community Colleges should sunset as part of this rearrangement and be replaced by a brief, concise and non-regulatory framework in statute; a framework oriented toward expectations and outcomes, not mandates.
- The financial resources and contractual commitments of the California Community Colleges should reflect the dual state-local nature of responsibility for their governance.
- The system of collective bargaining within the Community Colleges should be changed and replaced by a statewide process conducted by the chancellor's office under the authority of the Board of Trustees.

Summary The Commission's review of prior governance studies and studies that had a particular focus on the California Community Colleges reaffirm its perception that the

colleges are not functioning in optimal fashion nor are they operating as a unified state system. California's community colleges are currently shaped as a loose federation of semi-autonomous institutions and districts, each trying to serve educational needs of its local and regional communities to the best of its abilities. Moreover, the role and function of the Board of Governors and its operational entity, the Chancellor's Office, are without the necessary authority and resources to adequately fulfill public and legislative expectations.

To achieve the Commission's vision of a unified state system, the community colleges must be structured to achieve both economies and qualities of scale. Redesign of the governance and administrative processes integral to the success of the community colleges should assure that those individuals charged with responsibility and accountability for the colleges also have the requisite authority and expertise to carry out their charges. The focus should be on creating the best possible process through which priorities can be set and resources allocated or reallocated to achieve those priorities throughout the state.

The obstacles that must be overcome in redesigning the governance and administrative processes of the community colleges include:

- A compendium of regulations that stifle managerial flexibility and leadership capacity (a contract has already been issued by the Chancellor's Office to complete this task, with former Chancellor Gerald Hayward serving as the principle consultant);
- The presence of barriers to the Board of Governors in their efforts to attract and retain the highest quality personnel to staff its Chancellor's office, particularly at the senior administrator level;
- Inadequate budget authority and fiscal autonomy for the Board of Governors commensurate with its responsibility; and
- An absence of freedom from ongoing legislative intervention in policy matters.

On this last point, the State Legislature and Administration have a joint responsibility to recognize the total resource needs of the California Community Colleges, and to provide the statewide Board of Governors the broad direction, support, flexibility, and organizational leadership necessary for it to prosper and effectively serve the State's people and economy as fully as it can.

4 The Role of a Systemwide Governing Board

THE GOVERNANCE of colleges and universities has always been a volatile matter. Across the nation, only a few states began with a formal, defined system of institutions under a single board. In other states, boards and commissions were established to coordinate and in some cases govern otherwise autonomous institutions. In nearly all states, the major governance concerns today involve issues of accountability and flexibility, financing, resolution of "turf disputes" sometimes referred to as decentralization versus centralization, student financial aid, tuition and fee levels, and the variety and quality of instructional programs.

In none of the 50 states has the Commission identified an ideal structure for coordination and governance of higher education. The distinguishing characteristics of higher education are its diversity and scope. Institutions of higher education, be they individual institutions or systems, differ with respect to goals, organization, and governance. The decision processes also vary considerably. Some institutions are dominated by strong governing boards, others by strong presidents or chancellors. Some have strong faculty and collegial participation while others provide students a strong voice in the decision-making process. Some are bound by state system regulations and have little decision-making latitude, while still others are virtually dominated by the local communities they serve.

Reasonable autonomy of colleges and universities, consistent with reasonable expectations for public accountability, is essential to maintaining institutional vitality, diversity, and quality. Although it is commonly accepted that no institution can or should have absolute independence, especially when it is part of a higher education system, care should be taken to avoid the erosion of autonomy by external bodies. It is, therefore, incumbent upon governing boards, in cooperation with governmental and other agencies, to identify the proper limits of its authority.

Key characteristics of governing boards

Higher education and its various governing boards must be viewed as different and unique among the formal entities of the state. To be viewed and treated as equivalent to other state agencies is detrimental organizationally, programmatically, and politically with respect to the vitality of the state's higher education enterprise. The governing boards should be viewed as a true intermediary between the Governor and Legislature on one hand, and the campuses on the other in order to be properly positioned to be an honest broker for the public interest.

The statewide governing board must have the authority and responsibility to effectively conduct the planning needed to meet the higher education needs of the state,

in cooperation with other systems of higher education and with legislative and gubernatorial oversight. The roles of the board and the legislature should be collaborative, with the board responsible for planning, budget development, and decisions about academic programs and institutional purposes and the legislature responsible for reviewing plans and priorities. The legislature should then use the budget and other vehicles to seek desirable changes and support implementation of strategies to meet the public interest. Strong governing boards are essential if the higher education enterprise is to succeed in its designated role(s). This requires a spirit of cooperation based on mutual respect and support for the roles of each participant in the process.

Governance and administrative responsibility must be clearly defined for all participating parties and those who are held responsible must have the authority to decide and act in a timely manner. Confusion and conflict inevitably develop unless enabling legislation and operating policies are clear and delegations of duties and authorities are definite and explicit. Among the specific responsibilities that are commonly assigned to governing boards are the following:

- Appointment, support, and performance assessment of the Chancellor;
- Clarification of the mission of the system and, in the case of local boards, of individual colleges and universities, in cooperation with faculty and administrators;
- Review and approval of long-range plans and strategies to achieve the system's or institution's mission;
- Review and approval of the academic programs offered by the system and its respective institutions;
- Promote the well-being of faculty, students, and staff who live, learn, and work within the system's respective institutions;
- Ensure that adequate resources are secured and allocated to the system's campuses to meet their respective missions;
- Preserve institutional autonomy as much as possible by serving as a buffer against external pressures and special interest groups; and
- Serve as a final court of appeal for institutions unable to resolve disputes at the local level.

The Association of Governing Boards has suggested that governing boards should limit themselves to three broad areas: (1) setting broad policy direction -- defined as determining the mission and goals of the system, approving, advocating for and allocating its budget, and setting guidelines for making individual decisions; (2) making major personnel decisions -- such as the appointment and performance review of the chancellor; and (3) monitoring institutional performance by receiving, discussing, and adopting regular reports on various aspects of institutional activities.

The rationale for change with respect to governance in the California Community Colleges

In California, there is little consensus regarding the appropriate levels of au that should be assigned to the statewide Board of Governors and local boa trustees. Neither is there consensus on the manner in which such boards (sta local) can and should exercise whatever authority it is they possess at the i tional level. The Commission finds that education code language describi duties and authority of the Board of Governors (E.C. §70901) does not conta word governance. Rather, it refers to such duties as providing leadershi direction, providing general supervision, establishing minimum standards, a tablishing procedures for adoption of rules and regulations. In contrast, loca trict boards of trustees are immediately referred to as governing boards education code [E.C. §70902 (a)]. It is such differential use of language tha tributes to the confusion about "who is in charge" when the Legislature systemwide information in such areas as the performance and learning outcon community colleges.

For purposes of this study, the Commission, when using the term state-level g nance includes the following powers/authority:

- The responsibility and authority to establish broad policy priorities toward w all colleges are expected to strive, as well as any performance standards inte to establish benchmarks for evaluating the performance of the Califc Community Colleges;
- The authority to serve as the sole official representative of the Califc Community Colleges in annual higher education budget and policy discussi
- The authority to request, receive, and apportion the budget of the Califo Community Colleges that is appropriated by the Legislature in a manner exclusively formula-driven;
- The authority to intervene in the administration of local districts or college forestall imminent bankruptcy.
- The authority to establish official standards for reporting of data and statis on various operational and performance characteristics of the Califor Community Colleges.

The Commission has advanced the concept of a more unified state syster articulating its vision for the California Community Colleges and its motiv undertake this study. By this, the Commission refers to a system of colleges tl has the following characteristics:

- A Board of Governors and administrative staff that seeks to provide poli direction, leadership, and support to local districts consistent with the education workforce preparation, and economic development needs of the state and bro geographic regions;

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- An array of local district boards that seek, in cooperation with the Board of Governors, to administer available resources in ways that are consistent with state policy priorities and tailored to meet local and regional constituent needs;
- A consultation process that provides opportunity for input from major constituent groups but which does not require consensus on all items and which carries a commitment from all participants to refrain from opposing the official position once adopted;
- A structural arrangement which permits all components of the system -- state, district, and local -- to operate under the same set of parameters, rather than having one component designated as a state agency and the remaining components designated as local education agencies; and
- An organizational and course articulation arrangement that permits common course numbering and "seamless" movement of students among colleges in the system.

Critics of the community colleges argue that the state does not have in place a unified system of community colleges equipped by tradition and public understanding to effectively meet the needs of Californians as the state enters the next century. At a time when greater flexibility and clarity of function and accountability is needed, the state instead has a systemwide coordinating board without clear authority to govern the system and state agency status that burdens it with managerial and personnel practices steeped in civil service and external oversight. In addition, the colleges and districts that comprise the system are saddled with the fiscal constraints of Proposition 98 that treats the minimum funding guarantees as a maximum allocation rather than a "floor." As a result of these and other political and procedural constraints, California's system of community colleges is better described as a loose federation of semi-independent colleges and districts. Among the unintended consequences of this state of affairs are lost opportunities for economies of scale and, as a practical matter, uneven access to quality educational and training opportunities throughout the state's 106 community colleges.

Suggesting that changes in the processes of governance in the California Community Colleges are needed should not be equated with notions of a conspiracy to remove the autonomy of local boards to be responsive to the local and regional communities within which they are located. Rather, the Commission believes changes are necessary to distribute governance and administrative authority differently between the statewide Board of Governors and local boards as a means of clarifying the relationships and responsibilities of each and operationalizing the cooperative state system envisioned by AB 1725.

Finally, the Commission cautions those who would participate in changing the governance process of California's community colleges to avoid becoming pre-occupied with flow charts, job descriptions, and organizational structures lest that become an end in itself. The Commission's analysis does not suggest that the current organizational structure of the community college system cannot accommodate the changes needed to facilitate a more unified state system. The modifications needed,

however, will require radical changes in the process of consultation endemi shared governance, in the scope of authority vested in the Board of Governors local boards of trustees, and in the quality of leadership made available to the C fornia Community Colleges.

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5 Observations and Recommendations

Overview

There is no one model of governance that is superior for all institutions or systems of higher education. The diversity of institutions in terms of size, objectives, support (public or private), and organization (single or multi-campus systems) preclude one governance pattern from suiting them all. This observation is particularly pertinent to the California Community Colleges, the largest system of public colleges in the nation.

Broadly speaking, two competing notions of governance have emerged in California's community colleges: (1) more participation by previously excluded groups; or (2) complete transformation of the governance structures. The first approach holds that a key problem at the institutional level is to rectify the distortions of participation in terms of representatives. The main governance task is to get more "stakeholders" who represent special interests included in existing decision-making structures. The second position argues that the governance structures, and who participates in them, need to be changed to bring about a radical shift in the distribution of power within institutions.

In reviewing proposals for new forms of governance in higher education, the Commission envisions a form of governance that falls between these two extremes and that places greater emphasis on the components of partnerships, cooperation and the effective articulation of state, regional, and local interests. Variation in such interests have frequently been the cause of tension between different constituent groups and obfuscated common goals that should serve to unify rather than divide the colleges. Similar to the concept of shared governance envisioned in AB 1725, the Commission recommends a modification to existing processes and structural arrangements to balance responsibility, authority, and accountability assigned to the Board of Governors, the state Chancellor's Office, and local boards of trustees, commensurate with the role assigned to each.

The transition to a cooperative model of governance envisioned by the Commission will be difficult and will require historical antagonisms between statewide and local community college entities and institutions, between sectors, and among institutions to be overcome. Trust, mutual understanding, and preparation to take common responsibility are required conditions for successful transition to a modern statewide California Community Colleges system. There will also be a need for self-binding behavior (the willingness to prioritize common interests over one's own interests) for the larger common good. The structure of the cooperative governance model provides for:

- a revitalized and policy-making role and function for the Board of Governors;

- increased leadership, planning and coordination responsibilities for the Chancellor and the Chancellor's Office;
- increased roles and relationships between campus leadership and the Chancellor's Office; and
- clearer "connectivity" between statewide and local policy development, implementation, and accountability.

Systemwide governance

For the California Community Colleges to operate as a more unified state system, the role, responsibilities, authority, and accountability of the statewide governing board and its administrative office must be stated in unambiguous terms. They must also be consistent with the expectation that the aggregate set of colleges must operate in tandem to effectively meet the system's share of responsibility for accommodating the post-high school education and training needs of state residents. Moreover, the Legislature must resist pleas for its direct intervention in the governance and management of the community college system.

Accordingly, the Commission offers the following recommendations and observations.

Recommendation 1: Board of Governors

The Commission recommends that the California Education Code be revised to explicitly declare the Board of Governors to be the statewide governing board for the California Community Colleges. Appropriate legislation should be introduced during the 1999-2000 legislative session.

Adoption of this recommendation would eliminate any confusion over whether the Board of Governors has governance authority over individual colleges and districts. Its role would be that of the highest policy-making body within the community college system and the primary spokesperson for the colleges in dealings with the Legislature and the Governor on policy and budgetary matters. It shall be accountable to the Legislature, administration, and state taxpayers for the extent to which the colleges carry out the unique missions assigned to them by the California Master Plan for Higher Education and for which General Fund appropriations have been made.

In addition to designating the Board of Governors as the statewide governing board for the community colleges, the Education Code should also stipulate the scope of responsibility and authority vested in the Board of Governors. The scope of these responsibilities and authority should include at least the following:

- Adoption of statewide policy priorities, consistent with the missions of the system, that all colleges are expected to pursue;
- Statewide planning for the development of the community college system with respect to its nature, shape and size;
- Development of a policy framework and standards for a quality assurance system and its implementation;

- Primary advocacy for community college budget needs, including resolution of Proposition 98 funds and State funds for budgetary support of the system, and development of criteria (including any changes thereto) for allocation of General Funds to community college districts;
- Establishment of systemwide norms, standards, and indicators for assessing community college performance;
- Execution of formal agreements between the California Community Colleges and other sectors of the education system;
- Conduct of community college labor relations;
- Establishment of mandatory fee levels for community college students, subject to concurrence from the Legislature and administration;
- Selection and employment of a chief executive officer for the system, including the terms and conditions of employment and compensation;
- Establishment of position standards and compensation levels for senior administrative staff assigned to the systemwide Chancellor's Office.

The Board of Governors should have the authority to delegate any of its responsibilities to its senior administrative staff, except those expressly reserved for the Board of Governors by statute or constitutional provision.

The Commission further observes that the authority assigned to the Board of Governors, should, in most cases, be circumscribed to its policy priority areas and mission-specific activities for which public funds have been appropriated to the districts and colleges.

Recommendation 2: The Chancellor

The Commission recommends that the Chancellor of the California Community Colleges be designated by the Board of Governors as the chief executive officer for the system, be charged with the responsibility for setting the pace for development and implementation of Board policy, and be delegated sufficient authority to effectively act as its agent.

The Commission observes that historical imbalance in authority assigned to the Board of Governors and local boards of trustees has placed the chancellor in the untenable position of being expected to carry out certain responsibilities without sufficient authority to do so. The perceived weakness of the chancellor -- and by extension, the Board of Governors -- has directly contributed to micro-management of the system by the Legislature and reliance on regulations to elicit compliance by local colleges. The scope of authority delegated to the chancellor should be explicitly stated by the Board of Governors and should include consideration of at least the following:

- Serving as the primary spokesperson, on behalf of the Board of Governors, for the California Community Colleges before the Legislature, the Governor, and

the governing boards (or their designees) of other postsecondary education institutions or systems;

- Employment of a professional staff with sufficient expertise to effectively implement directives and policy priorities of the Board of Governors;
- Authority to intervene in a timely manner and provide technical assistance to individual districts in order to forestall bankruptcy or financial insolvency or to preserve the academic integrity of teaching and learning opportunities;
- Development of criteria for general or categorical expenditure of public funds that encourage economies of scale from group purchasing arrangements or productivity improvements consistent with Board policy priorities;
- Development and implementation of various procedural or structural mechanisms for soliciting advice and consultation from various statewide and local stakeholders;
- Provision of advice in the selection of district chancellor/superintendents;
- Authorization to require submission of specified data to assess progress in achieving policy priorities of the Board of Governors, statutory requirements, and state or federal mandates; and
- Authorization to negotiate resolution to disputes or appeals from competing stakeholders that they have been unable to resolve at the local level.

Recommendation 3: The Chancellor's Office

The Commission recommends that a constitutional amendment be introduced during the 1999-2000 legislative session to designate the Chancellor's Office as an education entity, rather than a state agency, and to accord the budgetary flexibility appropriate to that designation.

The Commission observes that a persistent impediment to the California Community Colleges has been the inability to offer competitive salaries to senior administrative staff to attract them from their current employment to service in the statewide Chancellor's Office. As a consequence, the Chancellor has relied on interjurisdictional exchanges to "borrow" talented individuals from their home district or campus. One alternative considered by the Commission would establish a statewide salary schedule for community colleges and set administrative salaries for the Chancellor's Office's senior staff based on some structured relationship to comparable positions at the district level. While this option may be desirable as a long-term goal, it is not feasible within the current structural designation of the Chancellor's Office as a state agency. In addition, this option does not address the burdensome requirements placed on state agencies to prepare detailed budget change proposals (and, in some cases, feasibility study reports) to secure the resources necessary to carry out the responsibilities assigned to the Board of Governors and its administrative office. [This recommendation is consistent with one offered by the Commission for the Review of the Master Plan for Higher Education, 1987, and the Commission on Innovation, 1993]

The California Community Colleges as a unified state system needs a revitalized Chancellor's Office which will provide efficient and effective service to the community colleges and the other sectors of the State's postsecondary education enterprise. As such, it requires a coordinated organizational structure that can respond to the multiple aspects of a new single, integrated higher education system. This will require a high level executive leader and manager who will be able to address the complexities associated with coordination of the system, and ensure the development of a coherent and focused educational system. It will also require the ability of the Chancellor to be surrounded by highly competent senior and support staff to accomplish the tasks and responsibilities associated with providing leadership to a large, complex organization. Anything less will imply business as usual.

Recommendation 4: Regulatory Environment

The Commission recommends that the Education Code and Title 5 Administrative Code be reviewed and that prescriptive statutory mandates for the community colleges be repealed. The revised code should retain only statutes that specify the missions of the California Community Colleges, declare legislative intent, specify the responsibility, authority, and levels of accountability expected of the Board of Governors, consistent with Recommendation 1 above. Further, it should enumerate responsibilities, authority, and levels of accountability expected of local boards of trustees, consistent with Commission recommendations below. Legislation to revise the Education Code should be introduced during the 1999-2000 legislative session.

The Commission is concerned that the California Community Colleges, as a system as well as its component parts, continue to be regulated in such a way that they lack managerial, budgetary, and programmatic coherence and flexibility comparable to other systems of postsecondary education. This recommendation is consistent with actions already initiated by Chancellor Nussbaum, who has contracted with former Chancellor Gerald Hayward to develop recommendations on how best to reduce the regulatory burden placed on the community college system and its respective colleges. It is also consistent with the recommendations made by the Joint Commission for the Review of the Master Plan in 1987. The Commission observes, however, that this recommendation, if implemented, would have little impact and a short life span unless accompanied by revised behavior among stakeholders wherein individual and organizational interests are given less priority than the common good. In other words, individual employee organizations, districts and campuses would have to discontinue their historical practice of appealing directly to legislators to secure resources or special interest legislation. In turn, members of the Legislature must resist appeals from special interest groups to micro-manage the system. Restructured relationships and consultation envisioned in the cooperative governance model being advanced by the Commission would encourage such behavioral change while preserving broad consultation among key stakeholders.

The Commission has chosen not to offer specific recommendations regarding the policy priorities that should be pursued by the community colleges nor on the specific mechanisms that should be employed to foster consultation and collaboration.

because it believes that such responsibility appropriately belongs with the Board of Governors and the Chancellor, respectively.

Recommendation 5: Cooperative governance

The Commission recommends that shared governance be replaced with the concept of cooperative governance wherein the Chancellor, or designee, solicits the advice and comment of key constituent groups prior to final decisions being made by the Board of Governors on policy issues that affect one or more aspects of community college operations.

The Commission observes that careful use of language is essential to conforming intent with actual behavior. Cooperative governance, as suggested herein, is intended to reflect a structure and process by which communication is improved and dialogue occurs on issues of significance for the well-being of the California Community Colleges. Unlike shared governance, which implies that the responsibility for governance is distributed among the designated stakeholders, cooperative governance clarifies that the responsibility for governance is retained by the Board of Governors and that the Board of Governors seeks advice and comment from stakeholders with specific expertise, experience in the area, or administrative responsibility for implementation of any Board-adopted policy.

The current consultation process is too often viewed as an end in itself. It suffers from ambiguity of purpose, lack of trust among the participants, and, too frequently, absence of respect, civility, and ethical behavior. Confusion about whether members of the consultation group have an advisory or advocacy role has contributed to efforts by some to acquire power and control of the policy agenda for the system. Adherence to the cooperative governance concept fosters the contribution of professional advice and expertise to problem solving and decision-making efforts, while adherence to the shared governance concept stimulates advocacy of an organizational position, including the inference of political and financial support for that position. Moreover, because of the ambiguity of purpose and role confusion, members of the consultation group have occasionally concluded that, unless the Chancellor personally participates in discussions, the issue is not important or the constituent group consulted is not respected.

The Commission believes that seeking advice through consultation prior to making final decisions does not imply that any single stakeholder or interest group has the "power of one" to suggest that consultation did not occur if the ultimate decision of the Chancellor or the Board of Governors is in any way contrary to the desired position of an individual or entity. The need to consult should not prohibit the Board of Governors or its chancellor from initiating activities that have not previously been discussed with, and consensus obtained by, the consultation group. Cooperative governance and consultation should be inclusive, but not prescriptive, in nature.

The Chancellor of the California Community Colleges has established a formal consultation group as the primary mechanism for soliciting advice and guidance for policy issues to be considered by the Board of Governors. This group, and the

consultation process itself, is currently being reviewed for possible revision. In furtherance of this initiative, the Commission believes that the membership of this consultation group should be revised to include only those constituent groups to whom the operations of the colleges and the system are entrusted. Representatives from professional associations and membership organizations should be invited to comment but should not be a member of any formal consultation group established to assist the Chancellor in formulating policy recommendations for consideration by the Board of Governors.

Local Governance

In the California Community College system, the colleges are the primary implementers of policy. This requires institutional decisions about implementation and performance monitoring within the parameters of State and/or systemwide policy. In this respect, the composition, roles, and functions of bodies like governing boards, faculty senates and other employee organizations become subject to intense debate among stakeholders, especially between management, faculty, staff, and student organizations. This situation has led to demands for changes on many campuses as well as in systemwide governance. It has also encouraged, or at least condoned, efforts to seek legislative remedies to local concerns when the actions of the Board of Governors or its Chancellor's Office were perceived as not being timely or responsive enough.

The Commission believes that local governing boards should reflect in policy and practice not only local interests but also statewide needs. Specifically, the culture of the community colleges should be internally modified so that legislation is not considered necessary to enable desired actions to be taken by the community colleges. Thus, the leadership and stakeholders of community colleges will have increased flexibility -- managerially, financially, and operationally -- to fulfill their multiple missions within broad parameters established by, and for, the California Community Colleges. With respect to the missions assigned to the California Community Colleges and supported with General Fund appropriations, local boards of trustees and their chief executive officers should be viewed as extensions of the state governance and administrative structure. They should be charged with the responsibility of implementing statewide policy priorities for the system and accountable to the Board of Governors for documenting their progress in this regard. At the same time, they have an obligation to be responsive to local needs that may or may not be aligned with statewide policy priorities.

Recommendation 6: Local Boards: Delegated Authority

The Commission recommends that the Board of Governors delegate to local boards of trustees a specific set of responsibilities and the authority to act on its behalf within the delegated areas.

The Commission has previously observed that neither the Board of Governors nor the Chancellor's Office is in a position to actually implement its policy priorities at each of its colleges throughout the state. As such, it must rely heavily upon local districts and colleges to translate its policy priorities into structures, mechanisms, and practices that achieve the desired goal. This requires clarity both in the goals

to be achieved and appropriate delegation of authority for devising and implementing effective strategies to achieve those goals. In addition, the local boards must be held accountable for devising appropriate strategies and documenting their effectiveness in achieving the statewide goals. Among the areas of delegated responsibility and authority that the Board of Governors should consider are the following:

- Assuring that General Fund resources are effectively expended to assure that every enrolled student has an opportunity to prepare themselves for transfer to a baccalaureate degree-granting institution in a timely manner, receive vocational-technical training leading to employment, and have an opportunity to pursue a liberal or general education leading to an Associate degree;
- Assuring the fiscal integrity and health of colleges within the district; and
- Assuring the public integrity of the California Community Colleges by monitoring effectiveness and efficiency in the use of public resources and effectiveness in facilitating positive teaching and learning outcomes.

Implicit in this delegation of authority is continuous communication between local boards of trustees and the Board of Governors and the right of the Board of governors to modify or withdraw some or all of the authority delegated to any local board which fails to exercise this authority in a responsible and reliable fashion.

Recommendation 7: Local Boards - Statutory Authority

The Commission recommends that the Education Code be modified to stipulate that local boards of trustees have administrative authority over college activities supported by public or private revenue, have a fiduciary responsibility to the Board of Governors for public revenue, and any other authority explicitly delegated to them by the Board of Governors. Appropriate legislation should be introduced during the 1999-2000 legislative session to change the Education Code accordingly.

The Commission observes that the cooperative governance model it is proposing requires that all key stakeholders have explicit sets of responsibilities with the accompanying authority to discharge those responsibilities and an obligation to be accountable for the outcomes of their actions. The Commission also observes that the communities served by community colleges vary tremendously throughout the state and local colleges must have sufficient flexibility to tailor services to the particular mix of needs and resources found within their primary service regions. This recommendation will provide the local boards of trustees with an appropriate set of administrative authority to combine public and private revenue to adequately address the educational mission of the community college system and the education and training needs of local residents.

In addition to specifying the limits of administrative authority assigned to local boards of trustees, the Education Code should also delineate the additional responsibilities of local boards. The scope of these responsibilities should include at least the following:

- Approve detailed plans, developed under the direction of their chief executive officer in consultation with the constituencies of the campus, to meet the state system's missions and overall policy priorities of the Board of Governors;
- Develop and forward annual district budget request to the state Chancellor for review and inclusion in the annual budget developed for the state system;
- Appoint, compensate, and terminate the services of campus presidents and the chief executive officer for the district, with the state Chancellor invited to provide advice in the latter instance;
- Approve college budget and spending priorities, establish policies for contracting and purchasing, and secure the services of independent auditors to review the execution of these policies;
- Establish a strategic plan that includes long- and short-range goals, objectives, performance indicators, and student assessment systems;
- Approve major construction projects, contracts, and change orders; and
- Establish policies and procedures for management of district and college operations.

Local boards of trustees should have the authority to delegate any of its responsibilities to its senior administrative staff, except for those expressly reserved to it by statute. They should also have the authority to delegate authority for academic matters to campus academic or faculty bodies. Finally, the Commission observes that local boards of trustees should resist involvement in day-to-day issues of institutional management in lieu of well-defined accountability and monitoring mechanisms.

Concluding observations and comments

Other than the dramatic reduction in statutory and regulatory provisions that now regulate the community colleges, these sets of recommendations may appear to be modest. That is intentional with respect to structural arrangements. The Commission has not found compelling arguments to recommend the radical restructuring of the California Community Colleges either by eliminating all local boards of trustees or embracing the opposite extreme of advocating a locally elected board for each college. The Commission stands prepared to work collaboratively with the Board of Governors to implement any and all of the above recommendations.

There are advantages to current structural arrangements in community colleges because they facilitate regional collaboration with business and other education providers and maintain a "rapid response" capability to changes in local educational and training needs not readily found in more centralized organizational structures. However, these advantages should be weighed against the costs of maintaining the existing structure. These costs include maintenance of separate administrative offices and staffing, in the case of multi-campus districts, stipends and benefits for board members, travel costs, membership in professional trustee asso-

ciations, and local election costs. Better documentation of these costs might support a movement toward fewer districts, with the savings redirected to supporting student enrollment and improved teaching and learning.

Some changes are needed in the distribution of authority between the state and local boards to position the California Community Colleges Board of Governors to become a more efficient and effective advocate for, and representative of, the entire system of colleges in state and national policy arenas.

A major transformation, however, is required in the behavior of stakeholders within the community colleges. It is essential that an environment be created wherein constituent groups more frequently perceive themselves as allies rather than adversaries; where systemwide goals and policy objectives take precedence over process and individual or group preferences; and where policy makers provide authority and resources to match the expectations that they declare for the community colleges. The Commission remains aware that achieving radical changes in human behavior is an extremely difficult undertaking. Yet, the Commission remains convinced that it can be, indeed it must be, achieved.

Three-quarters of all postsecondary education enrollments in California are within one of the community colleges. This system represents the foundation of California's Master Plan -- serving more than a million students -- and is the primary point of access for Californians seeking access to education and training beyond high school. It is hoped that the Commission's measured approach to encouraging structural and behavioral changes will foster a strong and unified state system of community colleges that embraces positive teaching and learning outcomes and in which existing stakeholders will identify new roles and relationships.

Finally, the Commission will review the status of implementation of the recommendations contained in this report and their impact on the goal of promoting a more unified state system by not later than December of 2004.

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CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

THE California Postsecondary Education Commission is a citizen board established in 1974 by the Legislature and Governor to coordinate the efforts of California's colleges and universities and to provide independent, non-partisan policy analysis and recommendations to the Governor and Legislature.

Members of the Commission

The Commission consists of 16 members. Nine represent the general public, with three each appointed for six-year terms by the Governor, the Senate Rules Committee, and the Speaker of the Assembly. Five others represent the major segments of postsecondary education in California. Two student members are appointed by the Governor.

As of December 1998, the Commissioners representing the general public are:

Guillermo Rodriguez, Jr., San Francisco; *Chair*
Melinda G. Wilson, Torrance; *Vice Chair*
Mim Andelson, Los Angeles
Alan S. Arkatov, Los Angeles
Henry Der, San Francisco
Lance Izumi, San Francisco
Kyo "Paul" Jhin, Malibu
Bernard Luskin, Encino
Jeff Marston, San Diego

Representatives of the segments are:

Kyhl Smeby, Pasadena; appointed by the Governor to represent the Association of Independent California Colleges and Universities;

Joe Dolphin, San Diego; appointed by the Board of Governors of the California Community Colleges;

Gerti Thomas, Albany; appointed by the California State Board of Education;

Ralph Pesqueira, San Diego; appointed by the Trustees of the California State University; and

Carol Chandler, Santa Clara; appointed by the Regents of the University of California.

The two student representatives are:
Jacqueline A. Benjamin, Westminster
Darren Guerra, Rancho Cucamonga

Functions of the Commission

The Commission is charged by the Legislature and Governor to "assure the effective utilization of public postsecondary education resources, thereby eliminating waste and unnecessary duplication, and to promote diversity, innovation, and responsiveness to student and societal needs."

To this end, the Commission conducts independent reviews of matters affecting the 2,600 institutions of postsecondary education in California, including community colleges, four-year colleges, universities, and professional and occupational schools.

As an advisory body to the Legislature and Governor, the Commission does not govern or administer any institutions, nor does it approve, authorize, or accredit any of them. Instead, it performs its specific duties of planning, evaluation, and coordination by cooperating with other State agencies and non-governmental groups that perform those other governing, administrative, and assessment functions.

Operation of the Commission

The Commission holds regular meetings throughout the year at which it discusses and takes action on staff studies and takes positions on proposed legislation affecting education beyond the high school in California. By law, its meetings are open to the public. Requests to speak at a meeting may be made by writing the Commission in advance or by submitting a request before the start of the meeting.

The Commission's day-to-day work is carried out by its staff in Sacramento, under the guidance of Executive Director Warren Halsey Fox, Ph.D., who is appointed by the Commission.

Further information about the Commission and its publications may be obtained from the Commission offices at 1303 J Street, Suite 500, Sacramento, California 98514-2938; telephone (916) 445-7933.

TOWARD A UNIFIED STATE SYSTEM

Commission Report 98-9

ONE of a series of reports published by the California Postsecondary Education Commission as part of its planning and coordinating responsibilities. Summaries of these reports are available on the Internet at http://www.cpec.ca.gov. Single copies may be obtained without charge from the Commission at 1303 J Street, Suite 500, Sacramento, California 95814-2938. Recent reports include:

1997

97-7 *Student Profiles, 1997: The Latest in a Series of Annual Factbooks About Student Participation in California Higher Education* (August 1997)

97-8 *Fiscal Profiles, 1997: The Seventh in a Series of Factbooks About the Financing of California Higher Education* (October 1997)

97-9 *Eligibility of California's 1996 High School Graduates for Admission to the State's Public Universities: A Report of the California Postsecondary Education Commission* (December 1997)

97-10 *Eligibility of California's 1996 High School Graduates for Admission to the State's Public Universities -- Executive Summary: A Report of the California Postsecondary Education Commission* (December 1997)

1998

98-1 *A Master Plan for Higher Education in California, 1960-1975* (April 1998)

98-2 *Performance Indicators of California Higher Education, 1997: The Fourth Annual Report to California's Governor, Legislature, and Citizens in Response to Assembly Bill 1808 (Chapter 741, Statutes of 1991)* (April 1998)

98-3 *Fiscal Profiles, 1998: The Eighth in a Series of Factbooks About the Financing of California Higher Education* (December 1998)

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98-6 *The Condition of Higher Education in California, 1998* (December 1998)

98-7 *California Postsecondary Education Commission Workplan, 1999 and Beyond* (December 1998)

98-8 *Performance Indicators of California Higher Education, 1998: The Fifth Annual Report to California's Governor, Legislature, and Citizens in Response to Assembly Bill 1808 (Chapter 741, Statutes of 1991)* (December 1998)

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